(b) if so, the reaction of Government thereto; and

(c) details of the Indian companies which have sold more than two per cent of their equity, and preference shares to institutions and/or individuals abroad ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. BHARDWAJ) : (a) and (b) Some cmopanies issued and transferred equity shares and convertible preference shares/warrants to purchasers in foreign countries at prices lower than the then prevailing market price of their shares. To curb this practice, Securities and Exchange Board of India issued guideliness for allotment of shares on preferential basis to foreign institutional investors on 11-1-94 according to which preferential allotment to foreign institutional investors registered with SEBI may be made by the companies at the price not less than the highest price during the last 26 weeks on all the stock exchanges where the securities are listed. The companies are also required to follow the provisions of Section 81(1-A) of the Companies Act and to obtain approvals from the Reserve Bank of India. Subsequently, SEBI issued guidelines on 4-8-94 for issue of shares on preferential basis, which prescribe pricing formula and lock-in-period of 5 years, according to which the issue of shares on preferential basis can be made at market related price.

(c) The required information is not maintained centrally in the Department of Company Affairs.

Amendment of Bar Council Act

2674. SHRI RAM RATAN RAM Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that the Bar Council of India has amended the Bar Council Act/ Rule and fixed age limit to register an advocate for law practice;

(b) if so, what are the reasons behind this amendment;

(c) whether it is also a fact that some writs have been filed against this amendment in ifferent High Courts; and

(d) if so, what is the present position of these writs ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. BHARDWAJ) : (a) Yes, Sir.

(b) The Bar council of India has informed that the main reason behind this amendment is to discourage the enrolment of un-interested persons and to prevent over-crowding in the profession.

(c) Yes, Sir.

(d) The Madras High Court has held that the said rule is unconstitutional. The Bar Council of India has filed a Special Leave Petition against the said judgement before the Supreme Court of India. The Supreme Court, after hearing the same alongwith other connected cases, has reserved its orders.

Disposal of pending cases through arbitration

2675. SHRI B. K. HARI PRASAD Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that a large number of cases are pending in various Courts and Tribunals and under departmental inquiries in various Government and Public Sector Units in the country; if so, the details thereof category-wise and State-wise;

(b) whether Government have any plans to streamline the disposal by insitituting daily hearings and out-of-court settlements through arbitration etc.;

(c) whether Government are aware that many of the Public Sector Units are resorting to departmental inquiries and delaying these inquiries in order to keep the suspended staff without any real offence out of the organisation and in some cases such suspensions are going on for nearly ten years as in the case of NDDB's Mother Dairy at Delhi;

(d) whether it is also a fact that many innocent SC/ST employees are being harassed by the PSUs using the weapon of departmental inquiries and if so, whether Government will stop all departmental inquiries and rely only on court judgements and arbitration; and

(e) whether a study will be made of departmental inquiries initiated by NDDB throughout the country ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. BHARDWAJ) : (a) and (c) to (e) The information is being collected and will be laid on the Table of the House.

(b) In order to consider the problem of arrears of cases in Courts and find out ways and means to deal with it as expeditiously as possible, a meeting of the Chief Ministers and Chief Justices of High Courts was held on 4th December, 1993, under the chairmanship of the Prime Minister. The Chief Ministers and Chief Justices expressed their deep concern over the exploding Court dockets. While noting that the problem of arrears was complex in nature, they emphasised that timely action was called for with a view to bringing the justice system in tune with the current needs of all courts users at the same time ensuring the quality of justice required to be maintained in any State governed by the Rule of Law. The Conference recommended several steps in a resolution adopted for speedy disposal of cases in Courts/Tribunals which have been accepted by the Government and commended to all the State Government/Union Territory Administrations and High Courts/Tribunals for necessary action. Three Working Groups of Law Ministers thereafter, met to consider the recommendation contained in the above Resolution with regard to rural litigation, arrears of cases in administrative tribunals and alternative dispute resolution. The implementation of December, 1993 resolution and recommendations made by the Working Groups were reviewed by the Law Ministers at their plenary meeting held in Calcutta, in November, 1994. A copy of the Resolution adopted at the meeting is enclosed.

LAW MINISTERS' MEETING 1994

THE CALCUTTA RESOLUTION

INTRODUCTORY

1. The Law Ministers met in Calcutta on 17 November 1994 to review the progress made in the implementation of the Resolution adopted by the Chief Ministers and Chief Justices in New Delhi on 4 December 1993 on the subject of arrears of cases in courts and tribunals and also to elaborate further the recommendations contained in the said Resolution with regard to rural litigation arrears of cases in administrative tribunals and alternative dispute resolution. The Union Minister of State for Law, Justice and Company Affairs, Shri H. R. Bhardwaj, was in the chair. The Chief Justice of India, Shri Justice A.M. Ahmadi, and the Chief Minister of West Bengal, Shri Jyoti Basu, delivered special addresses at the meeting.

2. The Law Ministers expressed their appreciation of the work done in the Working Groups of Law Ministers which met in Bombay (6 October, 1994), Chandigarh (31 October, 1994) and New Delhi (5 November, 1994).

IMPLEMENTATION OF CM's AND CJs' RESOLUTION

3. The Law Ministers recalled with satisfaction that the CMs' and CJs' Resolution was adopted unanimously. They noted that the Government of India accepted the recommendations contained in the said Resolution. The Law Ministers took note of Doc. LMM/94/No. 4 containing a statement showing follow-up action taken on the recommendations made by the Chief Ministers and Chief Justices. While expressing satisfaction that the Central Government, the State Governments and the judiciary have implemented certain recommendations contained in the said Resolution, the Law Ministers noted that the progress made in this regard was not completely satisfactory. They underlined the need to implement the recommendations with in reasonable time. They considered that financial or other constraints should not be allowed to come in the way of implementing the recommendations contained in the Resolution. They called upon all concerned to extend full co-operation in the matter of implementation of the said Resolution. The Law Ministers expressed the hope that State Governments would utilise the amounts released by the Central Government based on a formula approved by the Planning Commission of India.

ALTERNATIVE DISPUTE RESOLUTION

4. The Law Ministers recalled that the Chief Ministers and Chief Justices emphasized the desirability of disputants resolving their disputes by alternative modes such as arbitration, mediation, conciliation and negotiation, since they provided procedural flexibility, saved valuable time and money and avoided the stress of a conventional trial.

5. The Law Ministers considered that the Arbitration Act, 1940 was not longer in tune with the International thought on the subject and that comprehensive law on arbitration be made, based largely on the UNCITRAL Model Law on International Commercial Arbitration. They further recommended that the said law should also contain provisions on conciliation modelled on the UNCITRAL Concillation Rules. The Law Ministers recommended that the new law should apply to both international and domestic arbitration and conciliation.

RURAL LITIGATION

6. The Law Ministers noted that the rural litigation constituted a major part of cases currently pending in courts and recalled that the Chief Ministers and Chief Justices underlined the need for restructuring the judicial system with a view to ensuring inexpensive and speedy resolution of rural litigation. They were generally of the view that Nyay Panchayats had not established themselves as effective instruments for settlement of rural litigation.

7. There was general agreement that, given adequate facilities, courts could effectively deal with rural litigation. The Law Ministers noted in this regard the Pilot Project Scheme evolved by the High Court of Karnataka which led, within a period of one year, to the disposal of about fifty per cent of the cases in the selected districts. While commending this Scheme, the Law Ministers recommended the adoption of the Karnataka model or a model similar to it in other States. The Law Ministers noted that Madhya Pradesh and Tamil Nadu have introduced similar schemes in their States.

8. The Law Ministers also considered that the efforts of subordinate courts in the matter of rural litigation would need to be supplemented by those of Lok Adalats. While noting with satisfaction that Lok Adalats would soon be given statutory status, the Law Ministers recommended that immediate steps should be taken to facilitate the early entry into force of the Legal Services Authorities Act, 1987. The Law Ministers also noted that the traditional and customary councils in the North Eastern Hall States have been rendering inexpensive and speedier justice to the people of these States.

9. The Law Ministers recalled that the Chief Ministers and Chief Justices commended the pattern of Conciliation Courts in Himachal Pradesh and expressed the hope that such courts would be constituted in other States soon.

10. The Law Ministers noted with satisfaction the existence of mediation and conciliation centres in some States like Tamil Nadu and recommended that such centres should be established in other States also.

11. The Law Ministers recalled the recommendation of the CMs and CJs that the provisions of the Code of Criminal Procedure 1973 in regard to appointments of Special Judicial Magistrates and Special Metropolitan Magistrates should be put to use by identifying cases which they were empowered to deal with under the Code, and emphasised that there was urgent need to appoint such Magistrates.

12. The Law Ministers also felt that immediate consideration should be given to the categories of criminal cases which could be withdrawn if they were pending for prolonged periods. In this context, the Law Ministers noted with interest constitution of committees in some States consisting of the Chief Secretary, the Law Secretary and the administrative Secretary, among others, for the purpose of taking appropriate decisions with regard to reduction of Government litigation in courts and recommended that consideration should be given to the constitution of similar committees in other States. The Ministers felt that renewed efforts should be made with a view to avoiding frivolous litigation involving Government.

13. The Law Ministers further noted that the laws of procedure and evidence were in need of reform.

ADMINISTRATIVE TRIBUNALS

14. The Law Ministers recalled that the Resolution of CMs and CJs considered that the recommendations made therein should *mutatis mutandis,* be enforced even in respect of administrative tribunals and that Government should undertake an examination of problems connected with arrears of cases in those tribunals. In particular, they had drawn attention to the recommendations in the said Resolution with regard to, among other things, fixation of time-limits within which proposals for appointment of members of tribunals ought to be processed periodic review of the optimum strength of members in each tribunal, granting of adjournments only in exceptional circumstances, time-limits for oral arguments, need for short judgements, grouping of cases, provision of modern equipments to tribunals, priority to old cases, and the need for reserved judgments to be given within a reasonable time.

15. The Law Ministers noted that the Working Group on administrative tribunals reviewed the working of administrative tribunals constituted by the Central Government. They took note of Doc. No. LMM (WG-III)/94/3 containing a working paper on "Review of the Working of Administrative Tribunals".

16. The Law Ministers agreed that the recommendations in the Resolution of the CMs and CJs in respect of administrative tribunals should be implemented as early as possible. They considered that vacancies in these tribunals should be filled up without delay so that the arrears did not mount.

17. The Law Ministers also considered that the tenure of appointment of members of the tribunals should be for fairly longer periods and that the provisions in various enactments in this regard should be reviewed.

18. The Law Ministers also emphasised that care should be taken to ensure that only persons who have, among other things, requisite ability to handle cases, proper personal conduct and ethical behaviour, firmness and fearlessness were appointed as members of tribunals.

19. The Law Ministers were also of the opinion that disputes between Government and Public sector undertakings and one public sector undertaking and another public sector undertaking ought not to go to courts or tribunals and that such disputes should be settled between the parties amicably.

20. The Law Ministers also considered that the selection committee constituted for making recommendations for appointment of members of tribunals should be headed by the Chief Justice of India or his nominee at the Central level, and by the Chief Justice of the concerned High Court or his nominee at the State level and that such a selection committee should be a standing body.

21. The Law Ministers also considered that the administrative control over all tribunals at both central and state levels should be entrusted to a single Ministry/Department.

22. The Law Ministers were also of the opinion that orders passed by administrative bodies should invariably be speaking orders so that tribunals could appreciate what actually weighed with the authorities in taking their decisions.

23. The Law Ministers expressed their deep appreciation to the Government of West Bengal for inviting them to hold the present plenary meeting in Calcutta and making all efforts to make it successful.

Calcutta
17 November 1994

Deletion of muslims' names from Voter lists

2676. SHRI CHATURANAN MISHRA :
SHRI GAYA SINGH :

Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that names of thousands of Muslim voters have been deleted from the voters list in Assam, Bombay and Delhi for the purpose of making identity card stamping them as foreign nationals;

(b) if so, the number of such names deleted this year from the voters list of the above mentioned States; and

(c) on what basis they have been identified as foreign nationals?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R.